NEWS ARTICLE By Senator Bev Hammerstrom February 4, 2004

When the Governor presented her State of the State address recently, she presented a conceptual plan of what her priorities would be in the coming year. More details will be revealed in the weeks ahead as she rolls out her budget proposal which will propose the funding for her initiatives.

Last week the Senate Majority Leader laid out the priorities established by our caucus for the upcoming session and its vision for Michigan which focuses on preserving our precious environment, protecting Michigan's families, educating Michigan's youth and improving Michigan's economic competitiveness. While there are bound to be differences of opinion in how we achieve our priorities, I was pleased to see that, at least at first blush, there were more areas of commonality than differences in both plans. I am hopeful that this will lead to a very productive Legislative session.

The Senate Majority caucus has developed a bold and proactive caucus agenda focused on what is best for Michigan's families, not what's easiest for state government. The 35-point plan focuses on creating jobs, strengthening families and continuing to improve the quality of Michigan's schools while also bringing state spending in line with existing revenues.

When the Governor presents her budget this month, it will need to reflect more than a \$1 billion reduction in the spending level from the current year. Creative accounting and one-time fixes have probably been exhausted, and while there may be a few fee increases proposed, I do not foresee any tax increases being proposed to resolve the deficit. The Governor was quick to point out during her address that none of her proposed initiatives would require additional general fund revenues. So, in order to reduce the structural deficit, hard cuts are going to have to be made.

Last fall our caucus clearly identified the reasons for the budget deficit - job loss in the state combined with the fact that while we have done an excellent job in cutting taxes we have not cut spending to the same level. We are prepared to help the Governor cut spending, but we also want to focus on generating new revenue through job growth. Many people do not realize that more than 20% of ALL jobs lost in the United States in the past two years have been lost in Michigan. These are high-paying manufacturing jobs that will not be coming back; we need to focus on ways to encourage new and different jobs in the state. Much of what we proposed under Phase I of our Jobs Action plan has already passed the Legislature and been signed into law by the Governor. Soon we will introduce Phase II of the plan. The goal is to position Michigan as quickly as possible to take advantage of the growing economy happening across the nation and to seek out new economies and industries driven by Michigan's high-tech workforce, world-class research and development resources. Because the Governor's proposal also focuses on job

creation, I am hopeful we can work together to create new job opportunities for Michigan residents.

A major component of our proposal also focuses on protecting families and to that end you can expect to see packages of bills dealing with identity theft, lead screening, and grandparent visitation. Measures will also be introduced to end "video voyeurism" strengthen child support collection, and standardize drug courts. Bills to stop out-of-state waste, prevent Great Lakes chemical spills, modernize the Drain Code and complete the recycling package will also see action. In the Senate Health Policy Committee, I plan to take up the issues of health savings accounts, mental health parity, and patients' rights. Education bills will focus on control of higher ed tuition increases, increased accountability and local education reform to stretch educational dollars.

This is a vigorous agenda, but our caucus has a proven history of hard work and success in having many of its initiatives signed into law. This session should be no exception, especially since we seem to be in step with the Executive Branch on at least the issues of most importance to sustaining Michigan's economy. That's not to say there won't be disagreement and debate over specifics; that's the way the process was intended to work. But in the end, that debate usually ends up in positive legislation that benefits Michigan citizens, and I for one, believe that while not perfect, our system of government is the best in the world and I eagerly look forward to the debate in the months ahead.